

Exhibit B

Part 4

FRITZ - CROSS EXAMINATION / CURRAN

1 at Best Buy, correct?

2 A. Correct.

3 Q. And was at the time, correct?

4 A. Correct.

5 Q. He responds to Mr. Rogers and adds a couple of people to
6 the copy, right?

7 A. Yes, it looks that way.

8 Q. And Mr. Bonfig in his email is expressing Best Buy's
9 disappointment with AMD's decision, correct?

10 A. Yes, that's what I understand.

11 Q. And he's -- Mr. Bonfig, your colleague, is disappointed
12 because AMD's cutting back on MDF funds hurts Best Buy's
13 profitability, right?

14 A. I would read it a little differently. I think he's
15 concerned about a few things. One, this is a last minute
16 decision by AMD, when we've already made assortment decisions.
17 So, late in the process.

18 And that we're cutting MDF, which is impacting our ability
19 to drive market share, which we've proven in the past for
20 successful vehicles.

21 Q. But he's also concerned about the impact on Best Buy's
22 margins, correct?

23 A. I don't see where he's saying there's a concern about
24 impact to margin. He is asking for an increase in margin if
25 the MDF goes away.

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1 Q. You don't understand that to be a way to replace the lost
2 margin to Best Buy?

3 A. I understand it to be another avenue for us to drive
4 marketing. So if we have additional margin, we can drive more
5 marketing in there for sales. Whether that's in the form of
6 MDF or regular margin is irrelevant.

7 Q. Let's look at Mr. Bonfig's email at the paragraph
8 beginning: "Due to this program shift, Best Buy will be taking
9 the following action in the notebook category."

10 Do you see that paragraph?

11 A. I do.

12 Q. And the first bullet point, "On each AMD sku" -- so that's
13 referring to every finished product containing an AMD
14 microprocessor, right?

15 A. I would assume so, yes.

16 Q. "...we will communicate that AMD has decided not to
17 support Best Buy adequately, and as a result we will need to
18 increase margin requirements on AMD based products for Q1 in
19 order to gain assortment."

20 Do you see that?

21 A. I do.

22 Q. So in that sentence, Mr. Bonfig is telling AMD that in
23 light of AMD's withdrawal of certain MDF funds, that Best Buy
24 will be communicating to its suppliers of AMD products that
25 there has to be higher margin?

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1 A. Yes.

2 Q. And then on the top email -- the top email is authored by
3 you, correct?

4 A. Correct.

5 Q. And here you're addressing the folks at AMD directly,
6 correct?

7 A. Yes.

8 Q. And you write:

9 "Tom/Stephen:

10 "It would have been ideal to discuss on last week's video
11 conference as has a significant impact on our immediate
12 planning and assortment decisions.

13 As we discussed at the meeting, we need consistency,
14 reliability and competitive profitability from AMD in order to
15 provide presence and it appears that we are going the wrong
16 direction in terms of your goals to have a larger presence in
17 the first quarter with the VISTA launch, and it's definitely
18 sending a mixed message from what we heard previously.

19 "Please advise.

20 "Wendy."

21 You wrote that, correct?

22 A. I don't recall writing it, but that is how the email's
23 written.

24 Q. And so AMD didn't even sell product to Best Buy directly,
25 correct?

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1 A. They did in some cases.

2 Q. Okay. But for the most part, AMD makes components that go
3 into products sold at Best Buy, correct?

4 A. Correct. Though they do have some retail finished
5 products on our shelves. Or they did.

6 Q. But the MDF is related to components as well as finished
7 product, correct?

8 A. I believe so, yes.

9 Q. And in fact, certain -- does Intel provide any -- during
10 the relevant period, provide any finished products to Best Buy?

11 A. During this time, I can't recall specifically, but I don't
12 think so.

13 Q. Okay. But Intel paid MDF funds to Best Buy, correct?

14 A. Correct.

15 Q. So Best Buy collects these MDF funds, not only from its
16 actual vendors, but from component makers who sell product that
17 go into the finished product sold at Best Buy, right?

18 A. Primarily microprocessors, yes.

19 Q. Primarily microprocessors. And that's another source of
20 revenue for Best Buy, correct?

21 A. Revenue? No, I would say it's another source of profit.

22 Q. Okay.

23 THE COURT: How much more do you have?

24 MR. CURRAN: I didn't realize it was 3:30, your
25 Honor. I'm sorry. I have too much more to finish today.

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1 **THE COURT:** All right.

2 Ladies and gentlemen, we'll take our afternoon recess.

3 This being Thursday, that means we are parting for the rest of
4 the week, to begin again on Monday.

5 I asked the powers that be and who are monitoring such
6 things what their best guess was about the status of BART and
7 the strike and they said they had no idea. At this point,
8 everyone is sounding intransigent, and it sounds as if it may
9 go on strike. So, the best suggestion that I have been able
10 to come up with is that we will -- we will start at
11 10:00 o'clock on Monday. I hope that for those of you who, if
12 there is a strike, and for those of you who are impacted by
13 it, I hope that will give you time to get here.

14 I had considered then going till 4:00 o'clock so we could
15 make up some of the time, and I will take your counsel on
16 that. If most of you feel that that will work, then we'll go
17 a little later on Monday. For those of you who are impacted
18 by it, if it will make it worse rather than better to stay
19 another half hour, maybe we won't.

20 So, I'll talk to you folks before we make a final decision
21 on when we'll quit Monday. But we'll do our best to start
22 10:00 o'clock Monday morning.

23 Have a great weekend. Please do not think about, read
24 about, talk about, listen to anything about this case over the
25 weekend. Don't do any research. Don't make up your minds.

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1 Have a great weekend. I hope we will see you
2 10:00 o'clock Monday morning.

3 (The jury exits the courtroom)

4 **THE COURT:** You can step down.

5 So, I'm going to direct you folks to work with Ms. Fritz
6 to figure out when she needs to be back. If this Monday is a
7 really bad day for her, we'll just arrange it in a way that
8 isn't quite so bad.

9 **MR. SILBERFELD:** I'll inquire and advise the parties.

10 **MR. CURRAN:** Thank you, your Honor.

11 **DEPUTY CLERK:** So I wasn't collecting your handouts
12 because I thought they were over there. We just need new
13 binders.

14 **MR. CURRAN:** We can do that.

15 (Proceedings concluded)
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Volume 9

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

BEFORE THE HONORABLE SUSAN ILLSTON, JUDGE

IN RE: TFT-LCD (FLAT-PANEL))
ANTITRUST LITIGATION.) NO. C 07-MDL-1827 SI

San Francisco, California
Monday
August 5, 2013
10:12 a.m.

Individual Cases:
CASE NO. 10-CV-4572
CASE NO. 12-CV-4114

TRANSCRIPT OF PROCEEDINGS

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(Appearances continued, next page)

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Official Reporters, U.S. District Court

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1 MONDAY, AUGUST 5, 2013

10:12 A.M.

2 P R O C E E D I N G S

3 (The following proceedings were held in open court,
4 outside the presence and hearing of the jury)

5 THE COURT: Good morning.

6 MR. SILBERFELD: Good morning, your Honor.

7 MR. CURRAN: Good morning.

8 MR. FREITAS: Good morning.

9 THE COURT: Are we ready?

10 MR. SILBERFELD: We have some housekeeping matters,
11 we'd like to not necessarily resolve or just bring --

12 THE COURT: All right, that's fine. But you know
13 I've been here for an hour and we could have done this before
14 the jury was ready. But what would you like to talk about?

15 MR. SILBERFELD: Well, there are two matters that
16 affect the witness for tomorrow.

17 THE COURT: Okay.

18 MR. SILBERFELD: Dr. Bernheim.

19 THE COURT: Yes. This is all the stuff that just got
20 filed.

21 MR. SILBERFELD: Right.

22 THE COURT: Okay.

23 MR. SILBERFELD: One has to do with whether he can
24 appear out of order or whether all the liability proof has to
25 come in first. The second has to do with two of his slides,

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1 about which there's objection. And we just kind of want to
2 see if, by the end of the day, perhaps, we could get that
3 resolved so that we know what we're doing tomorrow.

4 Those are two of the -- one of them can wait. And the
5 other one is there's a witness coming Wednesday on the
6 indirect purchaser claims that involves the jury instruction
7 that both sides have proposed. There are competing
8 instructions on what down-stream pass-on means. I've actually
9 just excerpted not only the instructions but the argument
10 associated with them from the 500 pages. If we could actually
11 just hand those up and have you consider those at some point
12 between now and Wednesday.

13 **THE COURT:** All right. That will be fine.

14 **MR. SILBERFELD:** That's all.

15 **MR. CURRAN:** Your Honor, I think the trial brief
16 issues can be addressed after we excuse the jury for the day
17 or something like that. But obviously it's up to your Honor.
18 We're ready to proceed with the witness.

19 **THE COURT:** Well, the trial brief issues will have to
20 be addressed later because I haven't read the trial briefs.

21 **DEPUTY CLERK:** You want to retake the stand?

22 **THE COURT:** So who is on the stand and who is
23 examining?

24 **MR. SILBERFELD:** Ms. Fritz. Mr. Curran.

25 **THE COURT:** Okay.

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1 Good morning.

2 **THE WITNESS:** Good morning.

3 **DEPUTY CLERK:** All rise.

4 (The jury enters the courtroom)

5 (The following proceedings were held in the presence
6 of the Jury:

7 **THE COURT:** Welcome back, ladies and gentlemen. You
8 may all be seated.

9 I think our way will be clear, at least for a week, given
10 what we hear of our transportation issues, so we can hope for
11 good luck thereafter.

12 (General laughter)

13 **THE COURT:** Mr. Curran, you may proceed.

14 And, Tracy, why don't you swear Miss Fritz again?

15 **WENDY LIANN FRITZ, PLAINTIFF'S WITNESS, SWORN**

16 **DEPUTY CLERK:** You want to pull that mic closer to
17 you? You can kind angle it. There.

18 **THE WITNESS:** All right.

19 **CROSS EXAMINATION RESUMED**

20 **BY MR. CURRAN:**

21 Q. Good morning, Miss Fritz.

22 A. Good morning.

23 Q. First I'd like to orient ourselves to where we left off on
24 Thursday, and then we'll take it from there.

25 Miss Fritz, do you recall on Thursday we discussed the

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1 Asia News Flash for a bit?

2 A. I do.

3 Q. And that was a document relating to a team gathering up
4 competitive intelligence in Asia and reporting it back to
5 folks at Best Buy in the United States, right?

6 A. Yes, that's my recollection.

7 Q. I think we also reviewed some documents relating to
8 competitive intelligence surrounding Black Friday. Do you
9 recall that?

10 A. I do.

11 Q. And that was information about competitor's plans about
12 the Thanksgiving holiday?

13 A. I believe so, yes.

14 Q. And some of the competitive intelligence gathered there
15 dealt with price and quantity forecasting, right?

16 A. Correct.

17 Q. And then I think, Miss Fritz, we also discussed for awhile
18 Mr. -- the competitive field team headed by Mike Ray and
19 Phillip Britton, correct?

20 A. Correct.

21 Q. And we talked about the staff members of that team and
22 their stores visited and other activities, correct?

23 A. Correct.

24 Q. And those other activities included not only gathering
25 pricing information at stores but also from time to time

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1 interacting with floor personnel at the competitor's stores,
2 correct?

3 A. Yes, and primarily their activities were gathering other
4 information as well, product information, promotional
5 information, etc.

6 Q. Okay. So product information, promotional information,
7 warranty information, and some pricing information, correct?

8 A. Yes.

9 Q. And then, Miss Fritz, did we also touch briefly on Best
10 Buy's price match policy? Do you recall that?

11 A. I do.

12 Q. And as to that one, I would like to ask you to look at the
13 price match policy, or at least certain aspects of it.

14 **MR. CURRAN:** May I approach the witness, your Honor?

15 **THE COURT:** Yes.

16 **BY MR. CURRAN:**

17 Q. Miss Fritz, is this a Frequently Asked Questions document
18 about Best Buy's price match policy?

19 A. It appears that way, although I can't tell if this is a
20 recent version or an old version. I can't see the date.

21 Q. I'm not aware of a date being on it. This was produced to
22 us from Best Buy. But does it appear to be the price match
23 policy, at least at some point in time?

24 A. It does.

25 **MR. CURRAN:** Your Honor, I move for the admission

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1 into evidence of Exhibit 8224.

2 **THE COURT:** Any objection?

3 **MR. SILBERFELD:** Just the timeframe issue, your
4 Honor. I notice that it has a Spanish version on the back.
5 Perhaps that will allow Miss Fritz to tell us roughly the
6 vintage of it. But I have no objection other than, does it
7 relate to the time period we're here about.

8 **MR. FREITAS:** We have no objection, your Honor.

9 **THE COURT:** Well, I'll allow it. But with the
10 notation that we don't know exactly when this was used or
11 produced.

12 (Trial Exhibit 8224 received in evidence)

13 **BY MR. CURRAN:**

14 Q. Following up on Mr. Silberfeld's comment, Miss Fritz:
15 Does the inclusion of the Spanish language version on the back
16 side, does that help you determine the point in time when this
17 was Best Buy's policy?

18 A. Not a specific date. But I know we didn't introduce
19 everything being translated into Spanish until several years
20 ago.

21 Q. Okay. Miss Fritz, I'd like to direct your attention
22 specifically to the Q-and-A in the first column, left side at
23 the bottom, where the heading is, What is considered proof of
24 price. Do you see that?

25 A. I do.

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1 Q. And the print is small. So feel free to look at the
2 screen if that helps. Okay. And Miss Fritz, does it say
3 there that, "If you have already purchased the item, the best
4 way to show proof of price is to bring in your original Best
5 Buy receipt, plus the competitor's current ad. We reserve the
6 right to call the competitor's store to verify the lower price
7 and availability of the item"?

8 A. Yes, it does.

9 Q. And is that statement consistent with your understanding
10 of Best Buy's price match policy during the period 1998 to
11 2006?

12 A. Again, I don't know the specific timeframe of this
13 document or exactly what our policy was during that time
14 frame. In terms of is this reflective of our price match
15 policy and what I can say today, yes.

16 Q. And so, Miss Fritz, do you understand this policy to
17 contemplate that the Best Buy store personnel may call the
18 competitor's store to confirm the lower price and the
19 availability of the item?

20 A. Yes.

21 Q. Okay. And by the availability of the item, that refers to
22 whether the item is this stock, correct?

23 A. Correct.

24 Q. So in other words, Best Buy's obligation to match the
25 price under this policy is dependent on not only the price at

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1 the other store but also the availability in stock?

2 A. In general, yes.

3 Q. So Miss Fritz, even when a customer has an ad or a
4 receipt, it may be appropriate for the Best Buy store manager,
5 or personnel, to contact the competitor's store to verify that
6 the items in stock, correct?

7 A. It's rare. If they had the ad and/or the online example
8 of it, that's usually sufficient.

9 Q. Okay. Have you worked in Best Buy stores yourself?

10 A. I have actually -- I oversee retail now. So I've worked
11 in the stores.

12 Q. Do you personally know how often every store manager or
13 store clerk calls a competitor to verify price or verify that
14 an item is in stock?

15 A. Specifically, no. But I do know it's pretty rare.

16 Q. And how do you know that it's pretty rare?

17 A. Just based on my observations, and also what I've seen in
18 terms of being in the store on a pretty frequent basis, being
19 in many stores on a pretty frequent basis. It's usually the
20 ad that is referenced, or the website.

21 Q. And you've taken over responsibilities for store
22 management in the last few years, correct?

23 A. The last 18 months.

24 Q. Last 18 months. Okay. Now, Miss Fritz, another thing
25 that we touched upon on Thursday was margin information, and I

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1 think we discussed a particular document showing
2 Mr. Winneroski sharing margin information of Toshiba and other
3 vendors with HP personnel, correct?

4 **MR. SILBERFELD:** Objection, your Honor. I think that
5 misstates the document and the testimony.

6 **MR. CURRAN:** It's a question, your Honor, that the
7 witness can feel free to correct me if I've made a
8 misstatement.

9 **THE COURT:** Well, you're just summarizing the
10 testimony, right? And the purpose of that is to orient her to
11 what you're going to ask her next. So I'm going to sustain
12 the objection, and why don't you just ask her what you're
13 going to ask her next.

14 **MR. CURRAN:** Okay.

15 **BY MR. CURRAN:**

16 Q. Miss Fritz, do you recall at the beginning of my
17 examination on Thursday we looked at the current Best Buy code
18 of ethics?

19 A. I do.

20 Q. I'd like to take you to that again. Can you find that in
21 the stack of papers you have there?

22 A. I'm sure I can. Just a moment.

23 Q. It's been designated and entered into evidence as Exhibit
24 8206?

25 A. Yes. I have it.

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1 Q. And I'd like to take you back to Page 16 of it, and the
2 top half of the page there. Beginning with the section under,
3 "Responsibility to our business partners". And in particular
4 the final sentence there. Please feel free to read the whole
5 thing, but the final sentence states, "We trust that these
6 third parties" -- and that's referring back to vendors and
7 others -- "will behave ethically in all their business
8 dealings, and we pledge to do the same in return."

9 Miss Fritz, is that part of Best Buy's code of ethics?

10 A. It is.

11 Q. And do you understand that provision to be like a golden
12 rule, we will do the same as our business partners? Is that
13 what's being conveyed here?

14 A. Can you be more specific about it being a golden rule?

15 Q. By this passage in the code of ethics, is Best Buy
16 communicating that it commits to engaging in similar ethical
17 behavior as its vendors and other business partners?

18 A. Yes.

19 Q. And then the section below that is the competitive
20 intelligence gathering, and I think we've already reviewed the
21 first paragraph there. Do you remember doing that on
22 Thursday?

23 A. I do.

24 Q. And we refer to -- specifically to the sentence, "All
25 companies who wish to remain successful gather competitive

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1 intelligence in some way and Best Buy is no different." Do
2 you see that?

3 A. I do.

4 Q. And Miss Fritz, the materials we went through on Thursday
5 dealing with competitive intelligence and information
6 gathering and so forth, that reflects that Best Buy does
7 indeed gather competitive intelligence in some ways, correct?

8 A. I can't speak to the document specifically, but we do
9 gather competitive intelligence, yes.

10 Q. All the time, right?

11 A. Frequently, yes.

12 Q. And now I'd like to skip down to the same section.

13 There's a paragraph that begins with the word, "Because". Do
14 you see that?

15 A. I do.

16 Q. Now, I want to review that and see how the terms here
17 square about some of the conduct that we've discussed.

18 "Because the gathering of competitive intelligence can occur
19 in almost any circumstance, there is no set of rules that can
20 specifically address every conceivable circumstance. However,
21 Best Buy expect that each and every employee follow not only
22 the letter but also the spirit of these guidelines."

23 And then you see there are two bullet points there,
24 Miss Fritz?

25 A. I do.

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1 Q. And the first one, "We always respect the right of other
2 companies to protect their proprietary information."

3 Now, Miss Fritz, we've seen some instances where Best Buy,
4 in fact, was not respecting the right of other companies to
5 protect their proprietary information, haven't we?

6 A. I wouldn't say that consistently, no.

7 Q. Well, let's take Mr. Winneroski's sharing of margin
8 information with HP. Wasn't that a -- an act that was not
9 respectful of the proprietary information of Toshiba and other
10 companies?

11 A. I would say it was inappropriate to share that
12 information, yes.

13 Q. And a violation of Best Buy's own code of ethics?

14 A. I'm not sure I'd see it as a violation. But again,
15 because I wasn't involved in it, from my perspective, it's
16 inappropriate.

17 Q. Now, when you say you weren't involved in it, you were
18 copied on Mr. Winneroski's communication to the folks at HP,
19 right?

20 A. I was copied on it, but I don't recall it, nor did I send
21 the information.

22 Q. And Mr. Winneroski reported to you at that time, correct?

23 A. I believe so, yes.

24 Q. And then this policy continues, "Never encourage or
25 pressure others to violate their obligations to protect the

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1 confidentiality of their current or former employer's
2 proprietary information."

3 Do you see that, Miss Fritz?

4 A. I do.

5 Q. Now, for example, the gathering of competitive information
6 about Black Friday and the pricing and the forecast
7 information of Best Buy competitors, that's not consistent
8 with Best Buy's code of ethics, either, is it?

9 A. I would say it's not inconsistent because we were
10 gathering competitive information that was available to us.

11 Q. Do you know the source of that information, the
12 competitive forecasting and the competitive price information?

13 A. I do not.

14 Q. So you don't know whether that came from employees of
15 Wal-Mart or Comp USA or Circuit City, right?

16 A. I do not.

17 Q. All right. The next sentence, "Likewise, you should never
18 take another company's proprietary information without the
19 company's authorization, nor obtain another company's
20 proprietary information as a result of deception,
21 misrepresentation, promises or threats."

22 Now, Miss Fritz, are you aware of whether or not Mr. --
23 the competitive intelligence field team headed by Mr. Ray and
24 Mr. Britton, whether or not they disguised themselves or
25 misrepresented their identity when they were doing mystery

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1 shops and other activities?

2 A. I am not, no.

3 Q. Now, we saw in that Asian News Flash a fair number of
4 items of competitive intelligence that Best Buy people had
5 gathered up in Asia, correct?

6 A. It appeared that way, yes.

7 Q. Including information about specific activities and
8 transactions of Best Buy competitors like Circuit City and
9 Wal-Mart, correct?

10 A. I don't recall all the specifics of the document.

11 Q. Well, we can go back to the document, but do you recall
12 that there were items in there about Wal-Mart and Circuit City
13 and Dell and others?

14 A. I recall Wal-Mart and Dell. I don't recall Circuit City.

15 Q. Let's limit it to Wal-Mart and Dell. There was
16 information there, competitive intelligence information about
17 their transactions, including supply information, right? The
18 relationship between those competitors of yours and their
19 vendors, right?

20 A. That's what the document had, yes.

21 Q. And do you view the gathering up of that information as
22 consistent with Best Buy's code of ethics?

23 A. Again, I don't view gathering competitive information a
24 violation of our code of business ethics.

25 Q. Is that true? Does your view hold even when the

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1 information is gathering directly from employees of the
2 competitor?

3 A. If that information is available -- what I talked about on
4 Thursday, from my perspective, which I think is a little more
5 strict than our code of business ethics, I don't think it's
6 appropriate to talk with other people. But there's nothing in
7 our code of business ethics that says we cannot.

8 Q. And that includes as to information such as warranties,
9 pricing, and other terms of sale?

10 A. It doesn't list that specifically.

11 Q. But it doesn't exclude that either, right?

12 A. I don't believe so.

13 Q. Okay. So you don't see a problem in general with Best Buy
14 activities that gather up that type of information?

15 A. I don't see an issue in gathering competitive information,
16 no.

17 Q. Now, continuing to the second bullet point, "It is every
18 Best Buy employee's personal responsibility to know and
19 understand all applicable company policies and procedures
20 before seeking any competitive information. Whenever you are
21 uncertain about how to proceed about Best Buy competing in the
22 marketplace, contact your manager or the competitive
23 intelligence team, legal department, or ethics office, to help
24 think through the issues and make a decision."

25 My question, Miss Fritz: The reference there to the

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1 competitive intelligent team, that's the Mike Ray and -- I
2 forget Mr. Britton's first name now -- do you remember?

3 A. Phil.

4 Q. Phil. And that's the team headed by Mike Ray and Phil
5 Britton, correct?

6 A. Headed by Mike Ray, yes.

7 Q. Okay. Oh. Headed by Mike Ray; managed by Phil Britton?

8 A. Yeah, in this specific paragraph, I don't know if that
9 means exactly that team, because I'm not sure of the
10 timeframes. But it does say competitive intelligence team.
11 I'm -- just can't say if it's referring to those two
12 individuals.

13 Q. But Phil Britton has been part of the competitive
14 intelligence team for many years, correct?

15 A. Correct. I don't know how long.

16 Q. And is still managing the competitive intelligence team to
17 this day, correct?

18 A. To my knowledge.

19 Q. And we heard Mr. Britton and saw Mr. Britton on Thursday
20 saying that in his view, having a network or contacts with a
21 competitor was an acceptable activity in competitive
22 intelligence gathering, right?

23 A. That's what he said, yes.

24 Q. Now, Miss Fritz, I'd like to take you to Page 6 of the
25 same exhibit, 8206-6. And the very bottom of that page,

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1 there's a section on partnering to stop misconduct. Are you
2 with me there, Miss Fritz?

3 A. I am. I'm just reading it quick.

4 Q. I want to direct you to the section right in the middle of
5 this paragraph. There's a sentence that begins, "This means
6 you should always report any illegal conduct or violations of
7 the code of business ethics."

8 Let me stop right there, Miss Fritz. Miss Fritz, do you
9 understand the Best Buy code of ethics to be a statement of
10 what's legal and what's illegal?

11 A. I understand it to be our guidelines and policies of how
12 we conduct ourselves, which sometimes includes things legal or
13 illegal. But sometimes it's also just a values-based
14 approach.

15 Q. So is it your understanding that there are certain
16 policies that Best Buy has that are more restrictive than the
17 law?

18 A. Not necessarily. I think some of them are more statements
19 about our values than they are about the law. But they
20 coexist.

21 Q. In your understanding, are there some things that might
22 violate Best Buy's codes of ethics but wouldn't violate the
23 law?

24 A. It could be outside of the guidelines that we've said,
25 yes.

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1 Q. Do you have any understanding as to why Best Buy would set
2 guidelines that aren't on the same line as the law?

3 A. My interpretation would be that we have a reputation and a
4 values base that we operate off of that we want to move on as
5 part of our brand.

6 Q. And then kind of continuing with this, so let me start
7 this sentence again. "This means you should always report any
8 illegal conduct or violations of the code of business ethics
9 to an appropriate Best Buy representative. Immediately.
10 Every time. No exceptions. If you manage other people, your
11 role in maintaining our ethical culture is especially
12 critical. Managers who receive reports of possible illegal
13 conduct or violations of the Best Buy code of business ethics
14 are required to take immediate action. That means it's up to
15 you to help stop it. If at any time you are unsure how to do
16 that or where to turn for help, reach out to any of the
17 following resources...."

18 Do you see that, Miss Fritz?

19 A. I do.

20 Q. Miss Fritz, have you personally ever reported illegal
21 conduct or violations of the business code of ethics within
22 Best Buy?

23 A. Not to my recollection, no.

24 (High-pitched sound interruption)

25 **MR. CURRAN:** May I look, your Honor?

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1 other counsel. And so this now crosses that line.

2 **THE COURT:** And what is the point of your
3 questioning? What are you trying to get from this witness?

4 **MR. CURRAN:** There are a number of points that I
5 intend to elicit, your Honor.

6 Okay. First of all, I think the witness said under direct
7 examination by Mr. Silberfeld that Best Buy only wants to do
8 business with ethical suppliers. And it turns out Samsung is
9 now their Number 1 relationship. The fact of the
10 settlement -- I don't intend to get into financial terms, the
11 settlement amount paid or the value of the Samsung experience.
12 But the fact that Best Buy has settled with Samsung and has
13 cooperation terms requiring Samsung to cooperate with Best Buy
14 in this litigation, including through the witnesses that we've
15 already heard live in this courtroom, and that Best Buy got
16 these -- the Samsung Experience, which is now a huge
17 partnership between the companies, I think that's all relevant
18 to the credibility of this witness and other witnesses in the
19 case.

20 **THE COURT:** Doing business with bad guys? Is that
21 your point?

22 **MR. CURRAN:** Yeah, that's part of it.

23 I also see that as inconsistent with the Best Buy code of
24 ethics that has been a centerpiece of my examination.

25 **MR. FREITAS:** I have two points to add, your Honor.